MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION

Wednesday, June 10, 2026

The regular meeting of the Burlington Electric Commission was convened at 5:09 pm on Wednesday, June 10, 2026, at Burlington Electric Department, 585 Pine Street, Burlington, Vermont, and on Microsoft Teams.

Attendance

- Channel 17 was present to record this meeting.
- Commissioners Lara Bonn, Ali Kenney, Scott Moody, Andy Vota, and Brian Williams were present.
- Staff members Paul Alexander, Mike Kanarick, Munir Kasti, Ita Meno, Katie Morris, Lincoln Sprague, Darren Springer, and Emily Stebbins-Wheelock and Donald Tobi were present at 585 Pine Street.
- Staff member Amber Widmayer was present via Microsoft Teams.
- Public member Noel Dodge was present at 585 Pine Street.

1. Agenda
No changes to the agenda.

2. Meeting Minutes
Commissioner Williams requested a change to the Public Forum section of the May 13, 2026 minutes when Mr. Porter spoke to change the word ‘independence’ since it seemed to be a typo. Commissioner Vota moved to change the wording to ‘resolution’ instead. Commissioner Moody moved to accept the change to the minutes. Commissioner Vota seconded the motion. Vote: 5 ayes 0 nays.

3. Public Forum
No members of the public addressed the Commission.

4. Monthly Impact Minute
Don Tobi, a forester at McNeil for the last 33 years, presented with Noel Dodge, a Wildlife Biologist and Private Land & Habitat Program Manager for the State of Vermont.

Before McNeil can purchase any wood or wood chips in Vermont, all logging jobs must be approved through a harvest notification submitted to Vermont Fish & Wildlife. Seven regional biologists review these notifications based on geographic zones. Noel Dodge explained that he covers Lamoille County and Washington County. The review process focuses on identifying deer wintering areas, wetlands, rare/threatened/endangered species, and critical wildlife habitat. The McNeil team prepares a harvest map overlaying harvest areas with the pertinent environmental features, along with paperwork detailing job location, landowner, harvester identity, site description, and cutting prescriptions for each area. Mr. Dodge presented a review of the last 10 years of harvest notification data submitted to Fish & Wildlife, including data on acreage changes and mitigation measures.

Mr. Dodge built a harvest notification database in 2016, now covering over 10 years of data.
The average Fish & Wildlife response time is 6 days, well under the 15-day MOU requirement. Three quarters of notifications have no resource concerns and are straightforward to process (excluding self-certified projects). Self-certification applies when a landowner has a state-approved forest management plan and no identified wildlife concerns (no deer yards, wetlands, or RT&E species).

10-Year Data Summary (Burlington Electric Notifications):

- About 115 notifications reviewed per year; over 1,000 total in 10 years.
- 2,700–2,800 acres notified per year; ~89,665 total acres reviewed over 10 years.
    - Of those, 23,000 acres had some resource concern (deer yards, RT&E species, etc.).
    - Only 12% of that subset (~2,800 acres) had actual negative impacts — a very small fraction of total acreage reviewed.
- Every year, acres protected far exceeded acres impacted.

Wood sourcing is centered around the McNeil plant, spreading across central and northern Vermont.

Elmore had the most acres reviewed (~3,000), largely due to large timber harvests with significant bat habitat protection. Chip harvesting is typically a byproduct of larger timber operations (saw logs, pulpwood, firewood come first). Biomass-only cuts do occur for wildlife/habitat purposes but are less common. The chip harvest notification process gives Fish & Wildlife review authority over entire harvest operations (not just the biomass portion) creating broad habitat oversight on private lands that might otherwise have none. Participants noted that landowners and loggers generally view the process positively, as technical assistance and market access rather than burdensome oversight. Loggers benefit from a market for otherwise unsaleable material.

5. Commissioners' Corner

Commissioner Bonn opened the Commissioner's Corner by formally recognizing Commissioner Moody for 16 years of service on the Burlington Electric Commission, expressing gratitude for his dedication, care, and impact on the board, BED staff, and Burlington customers.

Commissioner Moody remarked on some of the highlights from his tenure, including:

- Removal of unnecessary lights on the Beltline (one of his first actions)
- Transition from analog meters to AMI/Smart meters.
- Acquisition of Winooski One and new contracts for renewable energy sources.
- Fleet electrification and broader city electrification efforts.
- Progress toward Net Zero 2030.
- Proactive neighborhood outreach and infrastructure work.

Commissioner Moody stated his hopes for BED's future include full ownership of the McNeil plant and control over its future direction, moving forward on district heating, pursuing geothermal energy as a future resource, and continued leadership as one of the most forward-thinking municipal utilities in the country. Commissioner Moody closed with praise for BED staff and expressed confidence in the department's, commission's, and city's future.

Commissioner Willliams noted receiving public inquiries about District Energy and asked for an update given the lack of recent discussion on the topic.

General Manager Darren Springer responded that District Energy is not currently active, which is why it hasn't come up recently. BED's current focus at McNeil is on two key initiatives:

- Battery Storage: A project is in active development and may be brought to the commission as soon as the July meeting (potentially July 8, 2026, the earliest possible date). The meeting date may be adjusted depending on project timelines; a special summer meeting could also be considered given BED typically does not have a meeting in August. Battery storage is envisioned as the next step in McNeil's innovation arc, building on the existing solar test center (with UVM) and the on-site indoor agriculture facility (with a nonprofit partner).
- Wood Pyrolysis: Drawing on findings from the Velerity Report, BED is exploring wood pyrolysis as an alternative approach to maximizing the efficiency of wood chip use at McNeil, addressing some of the same goals that district energy had aimed to achieve.

Mr. Springer indicated both topics will be brought forward for commission discussion in the near future.

Commissioner Kenney raised a longer-term question about the commission's role in integrated resource planning, noting that shorter-term energy decisions feel harder to weigh in on without visibility into the bigger picture, particularly given emerging topics like renewable energy supply challenges, McNeil performance, virtual power plants, and electrification.

Mr. Springer responded that the IRP is produced every three years and serves as an analytical framework (not a decision document) for evaluating renewable resource options and priorities. The process typically involves multiple consultation meetings with the commission, collaboration with the Department of Public Service, and a public forum before a plan is submitted. The most recent IRP was submitted in November 2023. Unusually, two interveners were granted limited intervention in the docket, which has significantly prolonged the process. Responses to a third set of interrogatories are still underway as of June 2026. Due to the unresolved prior IRP docket, the Public Utility Commission (PUC) has twice approved delaying the start of the next IRP cycle. BED would like to bring the current litigation to a close before beginning a new one. When the next IRP process begins, the Electric Commission will be involved in its development as is standard practice. In the meantime, power contracts will continue to be brought forward on a case-by-case basis as needed.

Mr. Springer noted that the 2023 IRP is available on BED's website and encouraged commissioners to review it, noting that while some specifics are dated, many core concepts remain relevant. Battery storage, for example, was modeled in the 2023 IRP and is now being evaluated using that same model for real projects.

Commissioner Kenney asked whether a framework exists, separate from or within the IRP, that the commission can reference to understand how staff currently weighs and prioritizes different energy resources (battery storage, virtual power plants, etc.).

Mr. Springer responded that the 2023 IRP is the primary framework and is fully public (though still in litigation for formal approval). Commissioners are encouraged to review it to understand how BED evaluates and values different resources. The IRP model was used to analyze battery storage as a sample case in the 2023 cycle, anticipating that a real project might follow — which is now materializing. The energy market is highly dynamic, meaning some specifics from the 2023 IRP (developed partly in 2022) are already out of date. BED has an updated load forecast from Itron that would serve as a foundation for the next IRP but work on the 2026 IRP has not yet begun due to the ongoing litigation over the 2023 plan. Under normal circumstances, the commission would already be engaged in developing the 2026 IRP. That process remains on hold pending resolution of the current docket.

6. General Manager’s Update

General Manager Springer announced a new hydropower agreement: Skelton Hydro in Maine. It is a short-term agreement secured for 100% of output through end of 2026 to address near-term supply needs in addition to a five-year agreement (previously approved by commission) now executed, starting January 1, 2027 for 50% of output. This helps replace the expiring Hancock Wind contract and fills a gap left by two Relevate assets that did not materialize. BED's portfolio will shift toward more hydro and less wind.

There was a kickoff meeting held on May 27th with the Department of Public Service (DPS) and their consultant, ARC, for the business process audit. Staff interviews are wrapping up and a draft report with recommendations is expected by mid-July. The final report to the PUC is expected in early August. Some process improvements are already being implemented proactively as they emerge during the audit.

The FY27 rate case was unanimously approved by City Council. The filing timeline was adjusted due to customer notice requirements for the under-3% (non-litigated) rate case process. BED is consulting with DPS on revised timing and notice requirements. Customer bill notices are being prepared to communicate the proposed 2.99% rate change.

Filing for the Demand Resource Plan (DRP) is planned for later this week based on new legislation that recently passed, H.940. BED is submitting a plan in consultation with the DPS and taking feedback that would cover our three-year electric efficiency budget and three-year TEPF budget. Per the legislation, 60% of the TEPF funds would go toward thermal efficiency, weatherization, income-eligible electric panel upgrades, and pre-weatherization work (asbestos, roof leaks, knob-and-tube wiring). 40% of the funds available would go toward greenhouse gas emission reduction programs including commercial custom programs, geothermal initiatives, electric transit buses, EV incentives (boosted incentive to be extended through next three-year period given loss of federal and state support), multifamily EV charging, and high-mileage driver EV adoption.

Strategic Direction Update: The annual update to BED's one-page strategic direction document will be presented at the July commission meeting. New commissioners are encouraged to review the current version on BED's website.

BED will have two new hires starting June 22nd: Dan Edson (from Efficiency Vermont) will be the new BED Manager of Energy Services and Jared Pellerin (formerly Deputy City Attorney, South Burlington) will be BED’s new Principal Counsel and Compliance Officer. The latter position was created to build internal legal capacity and reduce reliance on outside counsel.

Commissioner Vota requested that the strategic direction document be shared with commissioners as early as possible in advance of the July meeting and asked if there was an update about the FERC ROE refund.

Mr. Springer noted he had attended a VELCO board strategic retreat earlier that day where this was a major topic. There were no substantive updates beyond the prior meeting, but several active threads:

- Refund treatment: Whether the current refund schedule remains in place and whether FERC allows VELCO to treat them as a regulatory asset is still unresolved.
- How BED and others will fund any refund obligations remains an open question.
- The reduction in VELCO’s allowed equity rate of return has already been incorporated into BED's budgets.

- New equity being issued by VELCO could provide some additional return on capital investments, all else equal.
- Transmission owners regionally (not just Vermont) have filed a motion at FERC to raise the allowed rate of return to upwards of 11% based on more current market factors — this will be litigated and could affect BED's future VELCO dividends.
- The DPS is actively engaged in regional advocacy given Vermont's unique position in this litigation, and VELCO is also working to find mitigation pathways.

Mr. Springer committed to keeping the commission updated as developments unfold.

7. April 2026 Financial Review
Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation, presented April 2026 financial results.

BED reported a budgeted net loss of $963,000 versus an actual net loss of $502,000, with a favorable variance versus budget of $461,000.

Sales to customers were worse than budget by $277,000. Other revenues were essentially on target; $92,000 better than budget. Power supply revenues were favorable by $214,000, due to timing of REC deliveries arriving in April rather than the originally budgeted period.

Net power supply expense was favorable by $409,000, driven by transmission and purchased power variances. Other operating & maintenance expenses were $455,000 favorable, largely due to timing of outside services and maintenance contracts. Depreciation was over budget by $65,000.

Other income & deductions was unfavorable by $321,000 primarily due to timing of customer contributions to capital projects compared to what was budgeted and some grant income variation. Interest expense was slightly over budget due to the 2026 revenue bond issuance.

Actual capital spending was $7 million vs. budgeted $13.8 million (46% of full-year budget).
It is projected to reach $9–10 million through end of June. The McNeil outage began in April but was primarily in May, so production actuals will increase significantly once May closes. Distribution project spending is expected to rise as warmer weather enables more field work.

Commissioner Kenney asked about the reasons behind the delay in the IT projects that are underway and if they are creating reliability or cybersecurity risks.

Ms. Stebbins-Wheelock responded that the financial system was delayed due to contract negotiation timing. The contract was signed last month, and a kickoff meeting has been scheduled. The CIS/Customer Portal/Mobile Work Management (SpryPoint) project is progressing more slowly than planned but is not over budget. There are no reliability or cybersecurity risks identified as a result of these delays.

The April 30 cash was $14.8 million ($2.3 million better than budget). For the credit rating factors, the debt service coverage was 4.6 (adjusted: 1.19) and 154 days cash on hand.

8. Commissioners' Check-in

Commissioner Kenney asked what can be done at the utility, state, and local advocacy levels to enable more renewable energy development in Vermont given increasing supply shortages.

General Manager Springer responded that offshore wind project cancellations are a significant regional challenge. Several New England states and New York have sued the federal administration over canceled leases and redirected energy policy. Vermont currently has no new wood, hydro, or wind development in the pipeline and an effective moratorium on new wind exists, driven by state leadership. Solar continues to be built but has limitations in terms of capacity versus actual energy production, particularly seasonally. Canadian hydro imports are a recurring conversation but face long-standing transmission capacity constraints. Nuclear, including small modular reactors, is emerging as the primary state-level conversation around new supply.

A legislative study was passed to examine whether Vermont's updated (2024) renewable energy standard can be met with available supply. Potential changes could include allowing nuclear to qualify. Some states have rolled back renewable portfolio standards for affordability reasons, which sends mixed market signals. The only new proposed generation in Vermont is a 2.2 MW wood pyrolysis facility in Lyndonville.

BED currently purchases from Sheffield and Georgia Mountain wind projects and would remain interested in new Vermont wind if cost-effective projects were proposed. BED actively supports and will continue to support solar projects in Burlington. Solar projects outside of Burlington are economically challenging due to transmission costs at the scale BED typically operates. Battery storage is being actively advanced. Revisiting the 2016/2017 noise standards would likely be a prerequisite for any new wind development. Existing wind sites (e.g., Searsburg, which was already repowered) could potentially be upgraded or expanded. Any new wind development would need to carefully account for noise, shadow flicker, wildlife, and stormwater impacts.

Adjourn
Commissioner Moody made a motion to adjourn; the motion was seconded by Commissioner Vota.
Vote: 5 ayes 0 nays.

The meeting of the Burlington Electric Commission adjourned at 6:10 p.m.

Microsoft Teams transcript used to draft minutes prepared by Katie Morris and edited by Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation.

Attest:

Katie Morris, Temporary Board Clerk